

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PHILIP Y. BROWN, ESQ. | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

## MEMORANDUM

TO: Hampshire County Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: December 2, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 and January 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



# HAMPSHIRE COUNTY RETIREMENT SYSTEM FUNDING SCHEDULE

Fiscal Year	Normal Cost	Fresh Start Unfunded Liability**	Fresh Start Funding Amortization of UAAL*	ERI liability	ERI amortization	Net 3(8)(c) Payments	Schedule Contribution	Adjusted for Semiannual Payments
2015	4,371,284	169,059,092	11,768,221	5,337,888	573,693	633,850	17,347,048	17,675,748
2016	4,485,073	185,536,021	12,591,996	4,925,229	573,693	967,191	18,617,953	18,970,735
2017	4,675,689	186,563,367	13,473,436	4,694,220	573,693	967,191	19,690,008	20,063,104
2018	4,874,405	186,720,763	14,416,577	4,445,018	573,693	967,191	20,831,866	21,226,598
2019	5,081,568	185,873,141	15,069,368	4,176,192	573,693	967,191	21,691,819	22,102,846
2020	5,297,534	184,254,570	15,672,143	3,886,196	573,693	967,191	22,510,561	22,937,101
2021	5,522,679	181,858,294	16,299,028	3,573,363	573,693	967,191	23,362,592	23,805,277
2022	5,757,393	178,597,058	16,950,989	3,235,894	573,693	967,191	24,249,267	24,708,753
2023	6,002,083	174,375,696	17,629,029	2,871,849	573,693	967,191	25,171,995	25,648,966
2024	6,257,171	169,090,467	18,334,190	2,479,136	573,693	967,191	26,132,245	26,627,411
2025	6,523,101	162,628,334	19,067,558	2,055,497	573,693	967,191	27,131,542	27,645,644
2026	6,800,333	154,866,187	19,830,260	1,598,496	573,693	967,191	28,171,477	28,705,283
2027	7,089,347	145,670,006	20,623,471	1,105,506	573,693	967,191	29,253,701	29,808,014
2028	7,390,644	134,893,950	21,448,409	573,693	573,693	967,191	30,379,937	30,955,591
2029	7,704,746	122,379,377	22,306,346	-	-	967,191	30,978,283	31,565,274
2030	8,032,198	107,953,783	23,198,600	-	-	967,191	32,197,988	32,808,091
2031	8,373,566	91,429,654	24,126,544	-	-	967,191	33,467,301	34,101,455
2032	8,729,443	72,603,230	25,091,605	-	-	967,191	34,788,239	35,447,423
2033	9,100,444	51,253,165	26,095,269	-	-	967,191	36,162,905	36,848,136
2034	9,487,213	27,139,080	27,139,080	-	-	967,191	37,593,484	38,305,823
2035	9,890,420	-	-	-	-	967,191	10,857,611	11,063,346

## Amortization of Unfunded Liability as of July 1, 2015

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2005	ERI-2002	278,720	0.00%	24	278,720	13
2006	ERI-2003	294,973	0.00%	23	294,973	13
2016	Fresh Start	N/A	4.00%	19	N/A	19

### Notes on Amortization of Unfunded Liability

Year is the year the amortization base was established. Type is the reason for the creation of the base. Examples are Gain/(Loss) or Fresh Start. Original Amort. Amount is the annual amortization amount when the base was established. Percentage Increasing is the percentage that the Original Amortization Amount increases per year. Original # of Years is the number of years over which the base is being amortized. Current Amort. Amount is the amortization payment amount for this year. Years Remaining is the number of years left to amortize the base.

\*Fresh Start amortization is set to be 7% higher than the previous year for 3 years with 4% amortization increases thereafter for 16 years

\*\*Fresh Start unfunded liability is equal to the total unfunded actuarial liability minus the ERI liability